PLUS
BUSINESS
The importance of being business oriented

- Home Sports Net pres. exits amid merger talk
- FCC cracks down on plant signal leakages
- New York Times expands cable listings, coverage
- NCTA to cities: 4103 better than the FCC

C8920-2 2/10/84

CableVision

The news and features weekly of the cable television industry February 13, 1984

TCI's Malone and Sie
Setting the Pace

Inside:
New Design

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CableVision

The Week in Cable pages 15-22 February 13, 1984, Volume 9, Number 24

CINCINNATI STRIKES BACK?

Incensed by a proposed rate increase, Cincinnati city officials say they plan to take legal action against Warner Amex.

H.R. 4103: CITIES' SAVIOR?

Hurry up and pass the House Cable bill, NCTA warns cities in yet another "white paper" to Congress. "*Without* the legislation," NCTA contends, cities "risk losing all their authority over cable to the FCC."

NEWS AND SPORTS COMBO

Sportschannel and the Washington Post Co., which have previously teamed up in regional sports ventures, reportedly talked merger with Warner Amex' Homes Sports Regional Entertainment Network. Meanwhile, HSE President Joseph Smith has left his post.

THE FCC GETS MORE ACTIVIST

The Federal Communications Commission plans to step up enforcement of its technical rules, especially in the areas of signal leakage and aeronautical frequency use. Up to 95 percent of all cable systems may be in violation of FCC rules.

TIME STILL COMES OUT AHEAD

Sharply rising profits on the video side helped boost Time Inc.'s income last year to $143 million, despite losses on the failed *TV-Cable Week* and an experimental teletext service.

ARBITRON INCREASES COVERAGE

Arbitron Co. now includes cable audience measurement in 125 of its 209 ratings reports as a result of increased viewing to three superstations and five cable networks.

What's in the Sections

PROGRAMMING 24

The elimination of The Washington Post Co.'s Post-Newsweek Video division has resulted in the end of several programs, among them *Working Mother*, originally seen on Daytime and now on Lifetime. However, *Sonya*, another Post-Newsweek Video production, will remain with the broadcast outlet that originally produced the program.

MARKETING/ADVERTISING 26

The monolith of journalism is adapting more to the times. *The New York Times*, owner of the Audubon, N.J., cable system currently ranked number nine of the top systems, has expanded its daily and Sunday cable listings and editorial coverage.

BUSINESS 47

The franchise fellowship in Philadelphia continues with two companies, who were involved in the last round of bidding, indicating their ability to submit new bids for the next round, despite the opposition all bidders face with the city's mayor.

GOVERNMENT & LAW 52

The cable system serving East Lansing, Mich., wants to carry CBN Cable Network, but the city cable commission won't allow it. Both sides of the controversy stand on Constitutional arguments, and the result may by a court case if no agreement is reached this week.

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TCI opens its doors. . .

TCI President John Malone is not one who relishes talking to the cable media, but when he decides it is time to speak out, his candor is one relished by the media. In this extensive interview with Malone, he sets the record straight on a number of his personal and company goals.

. . .and lets in a new employee

In the second story, new TCI employee John Sie talks about his objectives at the largest MSO and how his background complements his new work. Sie, most recently at Showtime as its senior vice president of marketing and affiliates, has had an extensive background in his years in cable.

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CableVision

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operators price us," Jimirro said. "We do best if priced at parity (with other pays), or lower than HBO." Specifically, Jimirro questioned systems that charge several dollars more for TDC than other services, stating: "It's not worth more than $3 or $4 more than HBO (and) it hurts our penetration." However, Jimirro added that "in a way, it's a back-handed compliment" when operators charge a premium price for TDC, because it shows that they think they can get it."

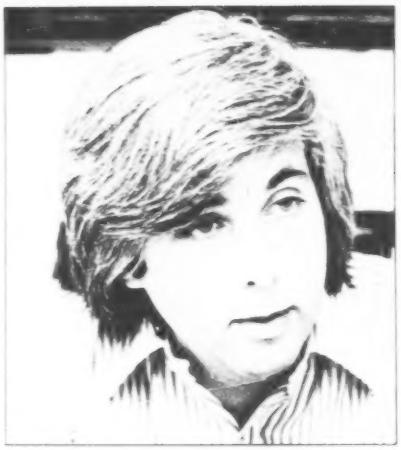
But Jimirro made it clear that pricing policies of certain MSOs—which he declined to name—have hurt TDC in achieving a predicted break-even point of 2 million subscribers. He said TDC should reach that number by the first quarter of next year. It now has 714,000 subscribers.

"We're not trying to be arbitrary. We're simply saying that if we feel that The Disney Channel is being priced in a way in which it affects (the number of) subscribers, it doesn't pay to put substantial (marketing) monies into that marketplace," Jimirro said.

With that in mind, TDC recently began informing MSOs and individual operators that in markets where TDC is not priced at parity with other pays, TDC will not come across with a 50 cents per subscriber one-time launch assistance payment. But he underscored that TDC will still provide training, monthly affiliate kits and other "basic" marketing support items to all affiliates, regardless of their pricing.

"It's intended to solve the problem where HBO is at $9.95 and we're at $12.95," he said. About 10 percent of TDC affiliates are charging too much, he said. He added that any decisions to withhold launch assistance to new affiliates would be made on a case-by-case basis.

—Victor Livingston



On Cable *Publisher Peter Funt: "It's someone else's turn to swim in the red ink there."*

take a loss. Funt said he believed the opportunity to serve Manhattan and be in the New York ADI—and in the middle of the advertising community—was a valuable business move. "We got $2.2 million worth of value from it, but we're not prepared to lose another $2.2 million. . . It's someone else's turn to swim in the red ink there."

TVSM's *The Cable Guide*, which will be distributed. He said he believed he could get at least 10 percent penetration.

Funt said that if *On Cable* were to continue to circulate in Manhattan it would change format somewhat and include more editorial coverage.

"We are sufficiently linked to the market and readership and we want to continue to serve them—it might be with the system, or without," Funt said.

—Cecilia Capuzzi

WOLD, NETCOM MAY SELL NEW SERVICES

LOS ANGELES—Despite the fact that the cable industry has seen a continual shrinkage of available program services, there are hints that several more pay and basic services are on the horizon.

According to an executive at the Robert Wold Co., the satellite transponder leasor is currently exploring the possibilities of becoming involved in the start of a new superstation to be available to cable systems. At the same time, another California-based corporation has just leased three transponders from RCA American Communications that will be used for additional cable services.

At press time, further information as to Wold's plans were not available. The decision by Netcom to purchase the RCA transponders will allow it to offer both a pay and basic service, as well as syndicated programming to the broadcast market.

Netcom, a supplier of satellite time to the broadcast networks for the transmission of sports and news feeds, has picked up three more transponders on Satcom 4. The $33 million, five-year deal with RCA, also includes an agreement to supply operators with earth stations.

One of the new transponders is protected, with the other two pre-emptible, for the first two years. Programming will consist of "a full-time narrowcast pay TV service, as well as a new basic service, and syndication feeds."

"We see a blur developing between cable and broadcast TV services," Netcom President William Tillson said. "We want to group all of that type of programming on Satcom 4."

—Eric Taub

MANHATTAN CABLE SWITCHES TO TVSM

NEW YORK—Manhattan Cable TV will switch from *On Cable* program guide to TVSM's *The Cable Guide* at the expiration of *On Cable*'s present contract on April 1.

Barry Rosenblum, director of marketing and programming for MCTV, said the primary reason was to provide better programming information for its 165,000 subscribers. "We looked at *The Cable Guide* and saw some features that were unavailable in *On Cable*," Rosenblum said. *Cable Guide* also has a three-year contract with Manhattan Cable.

But Peter Funt, editor of *On Cable*, indicated he may continue to circulate his product in some form in Manhattan—with or without the system's support.

Funt said in the three years *On Cable* serviced MCTV subscribers, it had lost $2.2 million. Although *On Cable* submitted a bid to continue its contract, it was too costly a proposition, he said.

Funt said *On Cable*, which signed up MCTV as one of its original customers, went into the agreement knowing it would

CABLE GAINS IN RATINGS

NEW YORK—Three superstations and five cable networks made viewing gains in 1983, qualifying them for inclusion in a total 62 additional Arbitron television ratings reports.

Among the networks which made the most significant gains, WTBS qualified in an additional 23 markets, HBO in an additional 13 and WGN and CBN in an additional 11 (CBN went from one to 12 markets in the last year).

Showtime, qualifying for the first time, met the minimum requirements in one market—San Antonio, Texas.

This brings the total number of Arbitron reports listing cable to 125 out of 209. To be mentioned in the daypart section of the report, each service must achieve 20 percent net weekly circulation or, translated, 20 percent of the television households must record viewing the service for five minutes or more during the survey week.

Below is a listing of the cable services and the number of qualifying markets, comparing 1982 to 1983 results:

Cable Service/ Superstation	Nov. 1982	Nov. 1983	Number of new Qualifying Markets
WTBS	69	92	23
WOR	11	11	—
WGN	13	24	11
HBO	19	32	13
SHO	0	1	1
CBN	1	12	11
CNN	1	2	1
USA	0	2	2

Cable services subscriber count

Satellite-fed national services

Basic service	Affiliates	Subscribers	% change in subs from 11/30
ACTS: The Learning Channel	[illegible]	[illegible]	[illegible]
ARTS Digest ABC	[illegible]	[illegible]	[illegible]
Black Entertainment Television BET	[illegible]	[illegible]	[illegible]
Cable Health Network CHN	[illegible]	[illegible]	[illegible]
Cable News Network CNN	[illegible]	[illegible]	[illegible]
CNN Headline News	[illegible]	[illegible]	[illegible]
C-SPAN American Network	[illegible]	[illegible]	[illegible]
CBN Cable Network	[illegible]	[illegible]	[illegible]
Country Music Television	[illegible]	[illegible]	[illegible]
Daytime Digest ABC	[illegible]	[illegible]	[illegible]
Entertainment & Sports Programming Network ESPN	[illegible]	[illegible]	[illegible]
Financial News Network FNN	[illegible]	[illegible]	[illegible]
Modern Satellite Network MSN	[illegible]	[illegible]	[illegible]
Music Television MTV	[illegible]	[illegible]	[illegible]
The National Network TNN	[illegible]	[illegible]	[illegible]
Nickelodeon Pinwheel Network NICK	[illegible]	[illegible]	[illegible]
Satellite Program Network SPN	[illegible]	[illegible]	[illegible]
Showtime	[illegible]	[illegible]	[illegible]
SIN Television Network	[illegible]	[illegible]	[illegible]
Trinity Broadcasting Network	[illegible]	[illegible]	[illegible]
USA Network	[illegible]	[illegible]	[illegible]
Video Concert Hall	[illegible]	[illegible]	[illegible]
The Weather Channel	[illegible]	[illegible]	[illegible]
WGN	[illegible]	[illegible]	[illegible]
WOR	[illegible]	[illegible]	[illegible]
WTBS	[illegible]	[illegible]	[illegible]

Pay service

Bravo	[illegible]	[illegible]	[illegible]
Cinemax	[illegible]	[illegible]	[illegible]
The Disney Channel	[illegible]	[illegible]	[illegible]
Galavision	[illegible]	[illegible]	[illegible]
Home Box Office (HBO)	[illegible]	[illegible]	[illegible]
Home Theater Network (HTN)	[illegible]	[illegible]	[illegible]
The Movie Channel TMC	[illegible]	[illegible]	[illegible]
The Playboy Channel	[illegible]	[illegible]	[illegible]
Showtime	[illegible]	[illegible]	[illegible]
Spotlight	[illegible]	[illegible]	[illegible]

Audio service

Cable Jazz Network	NA	NA	NA
The Jazz Network (AFRO)	[illegible]	[illegible]	[illegible]
Lifestyle	[illegible]	[illegible]	[illegible]
Live Sounds	NA	NA	NA
Moody Blue Network	[illegible]	[illegible]	[illegible]
Nick and Easy	NA	NA	NA
Satellite Jazz Network	[illegible]	[illegible]	[illegible]
Satellite Radio Network	[illegible]	[illegible]	[illegible]
SIRIN	[illegible]	[illegible]	[illegible]
WMMT	[illegible]	[illegible]	[illegible]

Text service

AP News Cable	[illegible]	[illegible]	[illegible]
Dow Jones Cable News	[illegible]	[illegible]	[illegible]
Electronic Program Guide (EPG)	[illegible]	[illegible]	[illegible]
Netlines Storefront	NA	NA	NA
Reuters News Service	[illegible]	[illegible]	[illegible]
UPI Newsfeed	NA	NA	NA

Non-satellite-fed national services

Bicycled service

The Cable Shop	[illegible]	[illegible]	[illegible]
Fox Network	[illegible]	NA	NA
Nippon Golden Network	[illegible]	NA	NA
Prevue	[illegible]	NA	NA
The Preview Channel	[illegible]	[illegible]	[illegible]
Video Cassette News	[illegible]	[illegible]	NA
Video Cassette Shopping Guide	[illegible]	[illegible]	NA

Regional entertainment services

Regional service

Atlanta Braves	[illegible]	[illegible]	[illegible]
Atlanta Entertainment Network	[illegible]	[illegible]	[illegible]

Basic service	Affiliates	Subscribers	% change in subs from 11/30
Bay Area Regional Channel (BARC)	[illegible]	[illegible]	NC
Buffalo Sabres Hockey	[illegible]	[illegible]	NC
Festival: The Texas Cable Network	[illegible]	[illegible]	[illegible]
Home Sports Entertainment Atlanta	NA	NA	NC
Home Sports Entertainment Chicago	[illegible]	[illegible]	NC
Home Sports Entertainment Cincinnati	[illegible]	[illegible]	[illegible]
Los Angeles Sports Channel Subscription	[illegible]	[illegible]	[illegible]
Madison Square Garden	[illegible]	[illegible]	NC
Mid-Atlantic Hockey Network	[illegible]	[illegible]	[illegible]
Mind Extension	[illegible]	[illegible]	NC
Newsday Cable	[illegible]	[illegible]	NC
PRISM Pennsylvania	[illegible]	[illegible]	[illegible]
Sports Channel Chicago	[illegible]	[illegible]	[illegible]
Sports Channel New England	[illegible]	[illegible]	[illegible]
Sports Channel New York	[illegible]	[illegible]	[illegible]
Sportsvision	[illegible]	[illegible]	[illegible]
Video Music Channel	[illegible]	[illegible]	[illegible]
Z Channel	[illegible]	[illegible]	[illegible]

Announced services

Non-satellite-fed service	Expected launch
The Cable Network	4-84

Regional service

Bay Area Sports	Summer 1984
Capital Sports	4-84
Pro Am Sports	4-84
Washington All Sports Network	3-84
Sports Time Ohio/Cincinnati Marketing Group	4-84

Satellite-fed service

Ann Group Network	TBA
The Arts Network	TBA
American Christian Television System (ACTS)	TBA
Ashbe Entertainment Television	4th quarter 1984
Arts & Entertainment Channel	2-1-84
The Business News Channel	TBA
The Channel Black	TBA
Comedy Entertainment Network	
Television Industrial Station (CENTS)	1st quarter 1984
The Community Channel	TBA
Financial TV Network	TBA
Golf Pay Television	2-84
Kaiser Network	3-84
Lifestyle	2-1-84
Magazine	TBA
Nashville Jazz Network	4th quarter 1984
The Nashville Network	4-84
The Nostalgia Network	TBA
The Parents Channel	Late 1984
The Professional Bowlers Network	4-84
The Sport Network	2-84
Star Vision Music	3-84
The US Channel	NA
The Work Channel	TBA

Note:

National cable advertising

This chart lists national advertising sales by the basic cable networks during January 1984.

BET
Anheuser Busch (R)
Avon (N)
Campbell Soup (R)
Carson Projects (R)
Coca-Cola (R)
Ford (R)
General Mills (R)
Hershey (R)
Home Box Office (R)
J.C. Penney (N)
Kraft (R)
McDonald's (N)
Mobil Oil (R)
Nike (N)
Pepsi-Cola (R)
Procter & Gamble (R)
Pro-Line (R)
Quaker Oats (R)
Sears (R)
Thompson Medical (N)
U.S. Marines (R)
Wrigley's (R)

Cable News Network[1]
American Cyanamid (R)
American Homes (R)
AT&T (R)
Bike (N)
Bristol Myers (R)
Campbell Soup (R)
Cheeseborough Ponds (R)
Coca-Cola (R)
Delta Airlines (R)
Dentsu (N)
Dow Jones (R)
Equitable Life (N)
Ford (R)
General Foods (R)
Gulf (R)
Johnson & Johnson (R)
K-Mart (R)
Lorus Watche (N)
National Geographic (R)
Philips Petroleum (R)
Procter & Gamble (R)
Ralston Purina (R)
Sears (R)
Suburu (N)
Toyota (R)
Tums (R)
Warner Lambert (R)

CNN Headline News[2]
Block Drugs (R)
Campbell soup (R)
Dow Jones (R)
Eastern Airlines (N)
Equitable Life (N)
Florida Tourism (N)
Ford (R)
Franklin Mint (R)
Gulf (R)
Home Box Office (R)
Honda (R)
Matthew Bender (R)
Nabisco (R)
Philips Petroleum (R)
Procter & Gamble (R)
Quaker Oats (R)
Ralston Purina (R)
Smithsonian Magazine (R)
Suburu (N)
Time Life (R)
Toyota (R)
Urban General (R)
Vanco Pruden (R)
Wausau Insurance (R)
Whirlpool (R)
Wrigley's (R)

CBN Cable Network
American Home Products (R)
Allway (R)
California Research (R)
Dazey (R)
Hanes (R)
Heinz (R)
Interaid (R)
Kellogg's (R)
The Nashville Network (R)
Norcott-Thayer (N)
Thompson Medical (R)
Time Life (R)
Welch Foods (R)

Dow Jones Cable News
Charles Schwab (R)

ESPN
American Cyanamid (R)
American Motors (R)
Anheuser Busch (R)
Briggs & Stratton (N)
CBS Publications (R)
Digital Group (R)
Dow Jones (R)
Duracell (R)
Gainsway Farms (R)
Genesis (N)
Haggar (R)
Home Box Office (R)
KONI Shocks (N)
Micheln (R)
Mobil Oil (R)
Noxell (R)
Owens Corning (R)
Paramount Pictures (R)
Power of Living (R)
Redwing Shoes (N)
Safeco (N)
Sears (R)
Solidtex (R)
Sperry (N)
Sports Illustrated (R)
State Farm Insurance (R)
Suburu (R)
Vigoro (R)

Financial News Network
AT&T (R)
Business Week (R)
Charles Schwab (R)
Colonial Penn Life Insurance (R)
Dean Witter (R)
Geist Hair (N)
Hawaiian American Cruises (R)
International Trading Group (R)
Investment Metals International (R)
Kansas City Board of Trade (N)
Lind Waldock (R)
Merrill Lynch (R)
Meta Group (N)
Monex (R)
Northwest Mutual Life (R)
Northwest Orient Airlines (R)
OTC Review (R)
Piano Webber (R)
Paulson Investment (R)
PDH Information (N)
Prudential Bache (R)
Quick & Reilly (R)
Security Pacific Discount Brokerage (N)
Sperry Corp. (R)
Standard and Poor's (R)
Texas Instruments (N)
Value Line (R)
Wealth Magazine (R)
West Coast Metals (R)
William O'Neil (R)

MSN[3]
Aero Mayflower Transit Company (R)
American College of Surgeons (R)
American Iron & Steel Institute (R)
Anheuser Busch (R)
Arabian Horse Registry of America (N)
Australian Tourist Commission (R)
Chemical Manufacturers Association (R)
Ciba Pharmaceutical (R)
Cruise Lines International (R)
Delta Queen Steamboat (R)
E.I. DuPont DeNemours (R)
Electronic Industries Association (R)
Gates Learjet (N)
General Motors (R)
Inland Steel (N)
Jet Propulsion Laboratory (R)
Kikkoman (R)
Kraft (R)
Knight (N)
National Cancer Research (R)
Philip Morris (R)
Revlon (R)
Sun Line Cruises (R)
United Airlines (R)
Upjohn (N)

SIN[4]
Amsoil Dial (R)
Bank (R)
Dorsey Labs (R)
Kraft (R)
Johnson & Johnson (R)
McDonald's (R)
Nestle (R)
Texaco (R)

USA Network
Amsoil Dial (R)
Bisdex (N)
Bristol Myers (R)
Campbell Soup (R)
Clorox (R)
Cumberland Packing (R)
Estrogex (R)
General Foods (R)
General Motors (N)
Hanes (R)
Heinz (N)
Home Box Office (R)
Hostess (N)
Kellogg's (R)
Levi Strauss (R)
Mattel (R)
Nashville Network (R)
National Coffee Association (R)
Nestle (R)
Noxell (R)
Philip Morris (R)
Pizza Hut (N)
Quaker Oats (R)
Ralston Purina (R)
Solaflex (N)
State Farm Insurance (N)
Thompson Medical (R)
Warner Lambert (R)
Weight Watchers (R)
Wrigley's (R)

The Weather Channel
Alberto-Culver (R)
American Gas (R)
American Motors (R)
Anco Wiper Blades (R)
Carnation (N)
Champion Spark Plugs (R)
Ford (N)
G.D. Searle (N)
Kellogg's (R)
Lipton (R)
Nabisco (N)
Philips Petroleum (R)
Pillsbury (R)
Procter & Gamble (R)
Quaker Oats (R)
Ralston Purina (R)
Richardson-Vicks (N)
Sterling Drug (R)
Toyota (N)
United Airlines (R)
Warner-Lambert (N)

WTBS
Alaska Department of Tourism (R)
AMC (R)
American Cyanamid (R)
American Homes (R)
Block Drug (R)
Candelite (R)
Chrysler (R)
General Foods (R)
General Mills (R)
Goodyear (R)
Nabisco (R)
National Coffee Association (R)
Procter & Gamble (R)
Ralston Purina (R)
Sears (R)
Stanley (R)
Stouffer & Air (R)
Time Life (R)
Tums Toys (R)
Warner Communications (R)
Wrigley's (R)